

SMALL BUSINESS ECONOMIC IMPACT STATEMENT

For Rules Concerning Transient Accommodations

Chapter 246-360 WAC

Background

Under RCW 70.62.240, the Washington State Board of Health is empowered to adopt rules to assure that each transient accommodation will be operated and maintained in a manner consistent with the health and safety of the members of the public using such facilities. Under RCW 70.62.250, DOH can administer and enforce these adopted rules.

Rulemaking Requirements of the Regulatory Fairness Act (RCW 19.85)

The Regulatory Fairness Act, RCW 19.85.030 requires the Department to conduct a Small Business Economic Impact Statement (SBEIS) for proposed rules that have more than minor impact on small businesses. As defined in RCW 19.85.020, a small business is “any business entity, including a sole proprietorship, corporation, partnership, or other legal entity, that is owned and operated independently from all other businesses, and that has fifty or fewer employees.”

1. Briefly describe the proposed rule.

The proposed rule outlines the minimum public health and safety standards for the licensure and operation of transient accommodations in Washington State.

Minor changes:

- Condense and clarify wording, grammar, structure, and formatting.
- Clarify requirements for licensing, reporting, documentation, and compliance.
- Remove issues unrelated to public health.
- Update terminology to reflect current usage.
- Provide a quick reference guide for rustic resorts.

Changes likely to ease requirements:

- Reflect the National Fire Association Life Safety Code (WAC 212-12-010(3)) by describing required aisle width from one side of a bed that is part of the regular furnishings of the unit, or thirty eight inches or less high temporary bed of temporary infant's crib and thirty eight or more high temporary bed.
- Reduce the change of linen to weekly or as needed by guest to reflect current industry practice; currently, licensees must wash linens twice a week.
- Maintain light intensities adequate for safety; currently, there are minimum light intensities for lodging facilities.

- Provide clean replacement pillowcases and sheets at least weekly or as requested by a guest; current language requires licensees to clean pillowcases and sheets at least twice a week for guests staying longer than three days.
- Allow licensees to clean and sanitize ice machines in accordance with manufacturer's instructions.
- Allow licensees to wash and sanitize laundry in accordance with the washer manufacturer's recommendations and detergent and sanitizer instructions.
- Permit the use of air drying as an option for drying laundry items.

Changes with the potential to impose additional requirements:

- Require a written basic emergency preparedness plan.
- Maintain documentation of an on-going annual (or as needed) training procedure for implementing the emergency preparedness plan.
- Require that any phone or communication devices provided to a unit be capable of communication to police, fire department, paramedic, poison control, hazardous material team, or other local emergency responder without delay. Under current practice, most or all phones and communication devices are connected to such services.
- Require the occupancy level of a lodging unit to be limited to the number of persons accommodated by the beds present, based on their intended maximum usage; the current rule defines a minimum of fifty square feet of total floor area per guest.
- Require lodging unit licensees to assure that bunk beds, if used, have sufficient unobstructed vertical space so that an adult may sit up comfortably between the bottom and top bunk, or between the top bunk and the ceiling; currently, licensees must maintain a vertical space of at least twenty-seven inches between the bottom bunk and top bunk.
- Provide slip resistant appliqués, mats, or other devices in bathtubs and/or showers.
- Require licensees to replace all carpets located in kitchens with cleanable, durable floor covering in good condition by October 31, 2005.
- Require all air filters to be cleaned or replaced regularly or as needed.
- Provide additional light for tasks or general illumination upon request from a guest.
- Provide emergency lighting to guests in the event of a power outage.
- Ensure that blankets, bedspreads, and mattress pads are cleaned regularly or more often when visibly soiled.
- Ensure that dryer lint screens are cleaned daily during normal operation or as needed.
- Require all laundry room flooring to be uncarpeted and covered with an easily cleanable floor covering by October 31, 2005.
- Eliminate all known environmental health and safety hazards in and around the facility, including hazards resulting from fire, natural or other disasters, and chemical or biological contamination. The presence of any hazard must be fully eliminated prior to re-occupancy of any affected area or living unit. When a hazard is confirmed, approval from any and all appropriate local authorities is required prior to re-occupancy.
- Require that doors providing access to a lodging unit be equipped with a suitable locking security device in compliance with applicable building and fire codes.
- Require that licensees with spas, pools, and/or hot tubs have available for review a copy of a current recreational water permit issued by the local health jurisdiction.

Other changes:

- Outline how DOH will proceed in case of deficiencies at a facility.
- Require the transient accommodation licensee to check key components in the fire code because fire safety inspections are not uniformly available statewide. The surveyor would refer problem facilities to the appropriate fire jurisdiction.

2. Is a Small Business Economic Impact Statement (SBEIS) required for this rule?

Yes.

3. Which industries are affected by this rule?

In preparing this small business economic impact statement (SBEIS), the Department of Health used the following SIC codes:

SIC Industry Code and Title	No. Of businesses	No. Of Employees	Average No. Of Employees For Smallest Businesses	Average No. Of Employees for 10% of Largest Businesses
6513 Apartment building operators	1,984	11,801	4	136
7011 Hotels and motels	1,225	25,493	5	88
7021 Rooming and Boarding houses	16	122	5	14

SIC	Description	Minor Impact Threshold (\$)
6513	Apartment building operators	109.72
7011	Hotels and motels	66.10
7021	Rooming and Boarding houses	66.10

Establishments that are available only to members, have fewer than three units, or do not offer lodging units for less than thirty days are not under the DOH licensing and inspection program. DOH does not have the authority to license and inspect such accommodations. The data above reflects these restrictions.

4. What are the costs of complying with this rule for small businesses (those with 50 or fewer employees) and for the largest 10% of businesses affected?

- 1. Emergency Preparedness Plan and Training (WAC 246-360-030 (1)(h)(i))*

Description: Facilities are not currently required to have an emergency preparedness plan or annual emergency response training. Under the proposed rule, the licensee must have a written basic emergency preparedness plan in the event of fire, power failure, facility problem, or natural or other disaster. Emergency response training must be conducted and documented annually or more often as needed.

Costs: The associated costs are the time and resources needed to generate and maintain the written basic emergency preparedness plan. The licensee must also conduct training and document this training. The nature of the emergency response plan will depend on the size of the transient accommodation. For example, a five-story transient accommodation emergency response plan will be more complex than a one-story, four-unit transient accommodation.

DOH estimates (from phone conversations with the Washington State Hotel and Lodging Association) that a basic plan for a median transient accommodation will take 30 hours to complete by a manager at an estimated hourly wage of \$37 for \$1,110 in total costs. For the training of transient accommodation employees, the initial time of 10 hours will cost \$370. The total first time cost to generate the emergency plan is therefore \$1,480. The annual cost to update the plan and maintain employee training is estimated to be 30 hours at a cost of \$1,110 per year. This includes updating the telephone and key person lists and assignments, training personnel, and attending to any unforeseen change.

DOH estimates the cost for generating an emergency preparedness plan and training for a small four-unit one-story facility would be about \$740. On the other hand, a large transient accommodation (fifty units or more) would be more complex. However, a larger transient accommodation would already have emergency information in each room and emergency lighting installed as part of life safety requirements for the local Certificate of Occupancy. The additional cost for generating an emergency preparedness plan and training for a 50-unit facility is about \$2,700.

2. Providing Slip Resistant Appliqués, Mats, or Other Devices (WAC 246-360-100 (5))

Description: Slip resistant appliqués, mats, or similar devices currently are not required in transient accommodation bathrooms. Under the proposed rule, slip resistant appliqués, mats, or similar devices will be required in each bathroom.

Costs: A DOH survey found each appliqué to cost \$2 and each mat to cost \$5; labor costs for installation would be minor. Total costs per facility depend on the number of bathrooms in each facility. Costs for a small 4-unit facility would be approximately \$20 while costs in a large 50-unit facility would be approximately \$250.

3. Providing an Adequate Supply of Clean Towels, Washcloths, and Floor mats (WAC 246-360-100 (12)).

Description: The current rule only requires licensees to provide clean towels, washcloths, and floor mats. Under the proposed rule, licensees must ensure that these items are available in adequate supplies for transient accommodation guest use.

Costs: The cost to affected small and large businesses is the potential purchase of clean towels, washcloths, and floor mats. DOH assumes most transient accommodations have sufficient supplies of each item; however, no current rule requires each accommodation to make available adequate supplies. For facilities without adequate supplies, it is reasonable to assume that the cost of acquiring adequate supplies would be proportional to the size of the facility.

4. Washing Towels, Washcloths, Floor Mats, Pillowcases, and Sheets (WAC 246-360-100 (12) (b) and WAC 246-360-150 (7))

Description: Facilities are currently required to wash linens twice a week. Under the proposed rule, facilities will be required to wash linens once a week or as requested by the guest.

Costs: This rule change is likely to reduce costs for affected businesses.

5. Replacing Carpet Flooring in Kitchens (WAC 246-360-110 (2) (a))

Description: Effective October 31, 2005, carpets will not be considered appropriate floor covering in lodging unit kitchens.

Costs: The associated costs are the replacement of the carpet flooring with a cleanable, durable floor covering. A DOH survey found the average kitchen to be 100 square feet in both small and large businesses. The time to remove the carpet from the 100 square feet and install cleanable, durable floor covering is 8 hours for one person. At an hourly wage of \$25 per hour, the total labor cost will therefore be \$200. Also, the cleanable, durable flooring in good condition will cost \$15 a square yard, or \$167 for 100 square feet. Combining these costs with removal costs yields a total of \$367 per kitchen floor replacement. These costs will be partly mitigated by the lower maintenance costs associated with using a cleanable floor covering instead of carpet.

Total costs per facility depend on the number of kitchens in each facility. Replacement costs for a small 4-unit facility would be approximately \$1,468 while costs in a large 50-unit facility would be approximately \$18,350.

6. Replacing Carpet Flooring in Laundry Rooms (WAC 246-360-180 (6))

Description: Effective October 31, 2005, laundry room flooring must be uncarpeted and covered with a cleanable floor covering.

Costs: The associated costs are the replacement of the carpet flooring with a cleanable, durable floor covering. A DOH survey found the average laundry facility to cover 250 square feet in both small and large businesses. The time to remove the carpet from the 250 square feet and install

cleanable, durable floor covering is 20 hours for one person. The estimated hourly wage to accomplish the task is \$25 per hour. The total cost of labor for 250 square feet of laundry facility floor is \$500. Also, the cleanable, durable flooring will cost an estimated \$15 per square yard. The cost for 250 square feet is \$417 to the lodging unit licensee. The total cost of compliance is \$917 per laundry facility floor replacement. (Total costs per facility would depend on the number and size of laundries in each facility.) These costs will be partly mitigated by the lower maintenance costs associated with using a cleanable floor covering instead of carpet.

7. Replacing and Cleaning Air Filters (WAC 246-360-120 (3))

Description: No current rule requires air filters in transient accommodations. Under the proposed rule, transient accommodation licensees are required to clean or replace all air filters regularly or as needed.

Costs: The associated costs are the purchase of new air filters and the labor to replace and clean each air filter. A DOH survey found the cost of an air filter is \$4. Also, affected businesses must pay an employee to clean and/or replace the air filter. (Total costs per facility would depend on the number of air filters in each facility.) Also, DOH assumes most transient accommodations already clean and replace air filters on a regular schedule and therefore that the proposed rule will not significantly affect most businesses.

8. Storing and Providing Additional Lighting (WAC 246-360-130 (2))

Description: The current rule requires licensees to maintain light intensities adequate for safety. Under the proposed rule, the licensee is required to provide additional light for tasks or general illumination upon request from a transient accommodation guest.

Costs: The cost to affected small and large businesses is the potential purchase of additional lighting items. DOH assumes most transient accommodations have sufficient lighting supplies of each item; however no current rule requires each accommodation to make available adequate supplies. For facilities without adequate supplies, it is reasonable to assume that the cost of acquiring adequate supplies would be proportional to the size of the facility.

9. Providing Emergency Lighting (WAC 246-360-130 (3))

Description: Transient accommodations have no requirement to provide emergency lighting. Under the proposed rule, the licensee must provide emergency lighting in the event of a power outage.

Costs: The associated costs are the time and resources to install emergency lighting in the transient accommodation. Emergency lighting is dependent on the size of the facility. A smaller facility will require flashlights, while a larger facility will require a battery pack emergency lighting system. However, most transient accommodations already have an emergency lighting

system and thus the rule amendment will not affect most transient accommodations. For facilities without appropriate emergency lighting, it is reasonable to assume that the cost of acquiring adequate supplies would be proportional to the size of the facility.

10. Cleaning Blankets, Bedspreads and Mattress Pads (WAC 246-360-150 (6))

Description: The current rule requires the licensee to provide clean blankets, bedspreads and mattress pads as needed. Under the proposed rule, the licensee must ensure that blankets, bedspreads and mattress pads are cleaned regularly or more often when visibly soiled. The proposed rule change seeks to ensure a regular schedule for cleaning the mentioned items.

Costs: Transient accommodations that already have a schedule will not incur additional costs as a result of the proposed rule. However, if a facility does not have an established cleaning schedule, the facility will most likely have to increase the frequency of cleaning the mentioned items and incur costs of labor, electricity, and cleaning supplies. These costs will vary depending on the size of the facility and the frequency of cleaning. We consider as examples a small 4-unit facility and a large 50-unit facility, both of which decide to clean blankets, bedspreads, and mattress pads once a month plus 20% in additional “as needed” cleanings each month.

For both facilities, the associated costs are the cleaning costs and the housekeeper’s time in stripping and remaking the beds and transporting the dirty linens for laundry; there are also likely to be costs incurred because of a need to purchase additional bedding. Based on phone conversations with national laundry and linen companies, DOH estimates cleaning costs of \$7.50 and purchase costs of \$85 for each set of bedspread, blanket, and mattress pad. DOH also estimates one hour of labor per set, plus supervisory labor. For labor costs we use the following information provided by the Washington State Hotel and Laundry Association: the median hourly rate for a transient accommodations manager is \$35; for an Executive Housekeeper, \$17; and for a Housekeeper, \$12.

For the small facility with 4 units, monthly cleaning (regular plus as-needed) totals five sets. At \$7.50 per set, washing costs total \$37.50; at \$35 per set for labor costs by a manager, labor costs total \$175. Monthly cleaning costs therefore total \$212.50. We also estimate that the facility will need to purchase one additional set on an as-needed basis at a cost of \$85.

For a large facility with 50 units, monthly cleaning (regular plus as-needed) totals 60 sets. At \$7.50 per set, washing costs total \$450; at \$12 per set for labor costs by a Housekeeper, cleaning labor costs total \$720; oversight by an Executive Housekeeper (estimated at 1 hour per week) and by a Manager (estimated at 1 hour per month) add costs of \$103. Monthly cleaning costs therefore total \$1273. We also estimate that the facility will need to purchase 10 additional sets on an as-needed basis at a cost of \$850.

11. Eliminating Environmental Health and Safety Hazards (WAC 246-360-200 (3))

Description: The proposed rule clarifies the responsibility of transient accommodation licensees to eliminate all known environmental health and safety hazards. The Department of Ecology and local health departments currently require licensees to comply with this rule, but no language in transient accommodation rules requires the same.

Costs: There are no associated costs to adopt the proposed rule because affected businesses currently must conform to the same rule from the Department of Ecology and local health departments. For reference, a DOH survey found the cost to clean up a methamphetamine lab is approximately \$6,500 per 1,200 square feet. The transient accommodation must also pay \$1,200 for a follow-up inspection/clean up to ensure that the grounds are completely decontaminated.

12. Suitable Locking Security Devices (WAC 246-360-200 (4))

Description: Under the proposed rule, licensees would be required to equip each door providing access to a lodging unit with a suitable locking security device in compliance with applicable building and fire codes. Currently, no rule requires such action.

Costs: The associated costs are the purchasing of suitable locking devices and the labor to equip each door providing access to a lodging unit with the locking device. A DOH survey found a suitable locking device to cost \$12. The labor to install the locking device is estimated to be one hour of labor at \$25 an hour, yielding a total cost of \$37 per door. Most affected businesses currently comply with the proposed rule and will therefore not incur any additional costs as a result of the rule. For facilities without appropriate locking devices, total costs depend on the number of doors in each facility. Replacement costs for a small 4-unit facility would be approximately \$148 while costs in a large 50-unit facility would be approximately \$1,850.

13. Occupancy Level (WAC 246-360-090 (1))

Description: Currently, licensee must provide lodging units with at least fifty square feet of total floor area (not counting areas with a ceiling height lower than five feet) for each guest. Under the proposed rule, licensees must provide lodging units with an occupancy level not to exceed the number of persons accommodated by the beds present, based on their intended maximum usage.

Analysis: This rule change is likely to provide additional flexibility for licensees. The occupancy level in a lodging unit will be determined by the size of the room, number and size of beds, and arrangement of beds. Some affected businesses may incur additional costs as a result of the proposed rule, but most are likely to gain from the added flexibility created by the proposed rule. Those facilities incurring additional costs are likely to have total costs that are proportional to the size of the facility.

14. Adequate Spacing Between Beds (WAC 246-360-090 (2) and WAC 246-360-150 (3))

Description: Currently, WAC 246-360-090 (1) states that licensees must allow easy movement between beds, cots, mats, or mattresses. Also, WAC 246-360-150 (3) currently states that licensees must assure that bunk beds, if used, have a clear vertical space of at least twenty-seven inches between the bottom and top bunk. Under the proposed rules, WAC 246-360-090 (1) would require licensees to provide at least a three-foot clear path of egress from one side of each bed, cot, mat or mattress. WAC 246-360-090(2) requires the licensee to provide lodging units with an aisle of at least thirty-six inches wide from one side of each bed that is part of the regular furnishings of the unit; an aisle of at least eighteen inches wide from one side of each temporary bed, other than an infant's crib, that is no more than thirty eight inches high; and an aisle at least twenty eight inches wide from one side of each temporary infant's crib and each temporary bed above a height of thirty eight inches. The aisle width is required by the National Fire Protection Association Life Safety Code which is adopted as a Fire Safety Standard (WAC 212-12-010(3)) for transient accommodations. Also, under the proposed rule, WAC 246-360-150 (3) would require a licensee to ensure that bunk beds have sufficient unobstructed vertical space so that an adult may sit up comfortably between the bottom and top bunk, or between the top bunk and ceiling.

Analysis: DOH does not anticipate that affected businesses will have additional costs as a result of this rule change. The aisle width is already required by the fire safety standards of the State Fire Marshal's Office. The bunk bed height requirement is typically met by existing room heights and by manufacturers' designs for bunk beds. For facilities not meeting these requirements, it is reasonable to assume that the cost of meeting them would be proportional to the size of the facility.

15. Connecting Emergency Services (WAC 246-360-090 (5))

Description: Under the proposed rule, phones or other reliable communication devices, if provided to lodging units, must be capable of allowing communication to police, fire department, paramedic, poison control, hazardous material team, or other local emergency responder and connected without delay. No current rule describes such a requirement.

Analysis: DOH does not anticipate any additional costs as a result of this rule change because we are not aware of any phones currently in use that are not connected to emergency services.

16. Cleaning Ice Machines (WAC 246-360-160 (3)(a))

Description: The current rule requires the licensee to store and dispense ice in a sanitary manner, including cleaning and sanitizing ice machines twice a year or more often as needed. Under the proposed rule, licensees must clean and sanitize ice machines at least twice a year or more often as needed or in accordance with the manufacturer's instructions.

Analysis: There are zero costs to adopt the proposed rule. The proposed rule provides another option for cleaning and sanitizing ice machines.

17. Washing, Sanitizing, and Drying Laundry (WAC 246-360-180 (1)(b))

Description: Under the proposed rule, the licensee must provide clean and sanitary bedding, linens, towels, washcloths, and other items intended for guest use by using a commercial laundry service, or by washing and sanitizing laundry in accordance with the washer manufacturer's recommendations and detergent and sanitizer instructions, and drying laundry in accordance with the dryer manufacturer's instructions when using a dryer. The current rule allows licensees to use a commercial laundry service or other laundry service meeting the requirements in WAC 246-360-040 or WAC 246-360-180. Also, there is no mention of drying laundry in current rules.

Analysis: There are zero costs to adopt the proposed rule. The proposed rule change clarifies current means to clean, sanitize, and dry laundry; it also provides another option for licensees to wash, sanitize, and dry laundry.

18. Cleaning Dryer Lint Screens (WAC 246-360-180 (2))

Description: Under the proposed rule, licensees must ensure lint screens on on-site dryers are cleaned daily during normal operation or as needed. No current rule in this section requires licensees to clean lint screens.

Analysis: Some transient accommodation may already clean the dryer lint screen a daily or as needed basis and will not incur additional costs as a result of the proposed rule. Regularly cleaning the dryer lint screen is a good fire safety practice.

However, if a facility does not have an established dryer lint screen cleaning schedule, the facility will most likely will incur costs of labor for the housekeeper/laundry person to clean the screen (s). These costs will vary depending on the size of the facility and the frequency of cleaning. We consider as examples a small 4 unit facility and a large 50 unit facility. The four unit facility has two non-commercial dryers and the 50 unit transient accommodation has two commercial dryers, both of which decide to clean the screen after each load. It is assumed that the capacity of a commercial dryer is that of 2 non-commercial dryer loads. The median hourly rate for a transient accommodations housekeeper is \$12 (personal conversation with Washington State Hotel and Lodging Association).

The costs would be as follows: The four unit facility washes and dries four loads per day. It takes 5 minutes each to clean lint screen or 20 minutes per day or 2.3 hour per week or 9.2 hours per month. The monthly costs would be 9.2 hours times \$12 per hr or \$110 per month. The fifty unit facility washes and dries 25 loads per day. It takes 5 minutes each to clean lint screen or 125 minutes per day or 14.6 hours per week or 58 hours per month. The monthly estimated costs for cleaning lint screens in a 50 unit TA would be \$700.

19. Availability of Current Recreational Permit (WAC 246-360-200 (5))

Description: Under the proposed rule, if spas, pools, and/or hot tubs are provided, licensees must have available for review a copy of a current recreational water permit issued by the local health jurisdiction. No current rule discusses this requirement.

Analysis: There are no associated costs to adopt the proposed rule. The proposed rule only clarifies the responsibility of the licensee when spas, pools, and/or hot tubs are provided.

20. Adequate Light Intensities (WAC 246-360-130 (1))

Description: The current rule requires licensees to maintain specific light intensities adequate for safety and facility maintenance with minimum specific light intensities measured at a height of three feet above the floor. Under the proposed rule, specific lighting intensities are deleted and replaced with a performance-based rule whereby licensees must maintain lighting intensities adequate for safety.

Analysis: Making the rule performance-based is likely to reduce lighting costs for affected businesses and clarify licensee responsibilities regarding the provision of adequate lighting in transient accommodation facilities. If there are net costs associated with this rule change, it is reasonable to assume that the cost of acquiring adequate lighting would be proportional to the size of the facility.

21. Paying Fines (WAC 246-360-035 (2)(e))

Description: Under the proposed rule, the Department may deny, suspend, or revoke a transient accommodation license, or assess a civil fine, if the Department finds the applicant, licensee, its agents, officers, directors, or any person with any interest therein fails to pay a fine within thirty days after the assessment becomes final or as agreed to by the Department and licensee. The current rule allows the Department to carry out the above action if the fine is not paid within ten days.

Analysis: There are no costs to adopt the proposed rule because the change allows licensees more time to pay a fine.

22. Addressing Deficiencies (WAC 246-360-035 (3))

Description: Under the proposed rule, the Department may address deficiencies that do not meet licensure requirements in one of three ways: (1) a plan of correction where the Department determines the deficiencies are not major, broadly systemic or of recurring nature; (2) a directed plan of correction as an alternative to administrative action, where the Department finds deficiencies are broadly systemic, recurring, or of a significant threat to public health and safety; or (3) administrative action initiated under chapter 34.05 RCW. No current rule describes how the Department will address such deficiencies.

Analysis: There are no costs to adopt the proposed rule because the proposed rule clarifies the current practice of the Department.

23. Collecting Refuse (WAC 246-360-070 (3)(b))

Description: Under the proposed rule, licensees must collect refuse from lodging units at least every three days or more often as necessary to maintain a clean and sanitary environment in each guest's room. The current rule requires licensees to collect refuse in lodging units twice a week when guests stay longer than three days.

Analysis: The costs to adopt the proposed rule are the time to collect the refuse and the resources to safely store refuse. Currently, most transient accommodations collect refuse from lodging units at least every three days or more often as necessary; these facilities would not incur any costs as a result of the proposed rule. Facilities that follow the current rule will have to increase their collection of refuse and will incur a cost of labor and storing resources. These costs are likely to be proportional to the size of the facility.

24. Other rule amendments

Other rule amendments do not require SBEIS analysis because they generate costs below the minor impact threshold for affected industries, adopt current federal or state law, or seek to clarify existing rules.

5. Does the rule impose a disproportionate impact on small businesses?

Some components of the proposed rule do not impose a disproportionate impact on small businesses. These include rule components that are likely to reduce costs for all businesses, as well as rule components whose cost is likely to be proportional to the size of the facility. Regarding the latter issue, DOH assumes that cost that are proportional to the size of the facility (or, similarly, to the number of units in a facility) will be equivalent across facilities when measured per \$100 in sales. It follows that such rule components do not impose a disproportionate impact on small businesses when costs are measured per \$100 in sales.

However, some components of the proposed rule do seem likely to disproportionately impact small businesses. These rule components generally involve fixed costs that do not vary in proportion to the size of the facility; some examples include the cost of developing emergency plans or the cost of replacing carpeting in laundry rooms. Because some rule components seem likely to disproportionate impacts on small businesses, DOH has attempted (as described below) to mitigate the impact of the proposed rule on small businesses.

6. If the rule imposes a disproportionate impact on small businesses, what efforts were taken to reduce that impact (why is it not “legal and feasible” to do so) by

a) reducing, modifying, or eliminating substantive regulatory requirements?

- WAC 246-360-040(4) was revised to reduce the water temperature from 120 degrees plus or minus 10 degrees Fahrenheit to 110 degrees plus or minus 10 degrees Fahrenheit. The lower temperature conserves energy and is considered safe for children and elderly.
- WAC 246-360-150(7) allows replacement of bed linen weekly rather than twice a week for guests staying longer than three days.
- Some regulations were made performance based rather than specific requirements. WAC 246-360-130(1) requires the licensee is required to maintain light intensities adequate for safety rather than specific foot candles.
- WAC 246-360-160(3) (a) allows the licensee to clean and sanitize the ice machine in accordance with the manufacturer’s instructions or twice a year or more often if needed. A specific manufacturer’s instruction could be less than twice a year.
- WAC 246-360-180(1) (b) allows the licensee to wash and sanitize laundry in accordance with manufacturer’s recommendations. The licensee chooses the type of washer, laundry soap, and sanitizer to get the laundry clean. The licensee is also provided a (new) option for air drying laundry.

b) simplifying, reducing, or eliminating record keeping and reporting requirements?

Some regulations piggyback on other governmental entities rather than create their own standards for transient accommodations:

- WAC 246-360-040(1) requires documentation that the water supply system is in compliance with State Board of Health standards for public water systems.
- WAC 246-360-200(5) requires the licensee to provide a copy of current recreational water permit issued by the local health jurisdiction for pools and spas.

c) reducing the frequency of inspections?

The frequency of inspections is not addressed in the regulations. However, DOH policy has changed so that public health and safety inspections will occur on a 3-year cycle instead of a 2-year cycle unless complaints are submitted about a facility.

d) delaying compliance timetables?

The proposed rule prohibits carpets in kitchens or in laundry rooms. The original draft of the proposed rule gave licensees until December 31, 2004, to comply; the proposed rule now gives licensees until October 31, 2005, to replace carpet with cleanable and durable floor coverings. (WAC 246-360-110(2)(a) and WAC 246-360-180(6))

e) reducing or modifying fine schedules for noncompliance?

Licensees are given thirty days to pay fines rather than current ten days. (WAC 246-360-035(2) (e))

f) any other mitigation techniques?

No other mitigation techniques were used.

7. How are small businesses involved in the development of this rule?

Small businesses have been involved from the beginning of the rulemaking process. A number of entities that represent small businesses in Washington State have worked alongside the DOH in the rulemaking process. For example, the Washington State Hotel and Lodging Association and the Washington State Bed and Breakfast Guild have been involved. In addition, some smaller businesses have been in attendance at rulemaking meetings and provided much input into the draft rule development.